

Finance & General Purposes Committee Terms of Reference

The Finance and General Purposes Committee is responsible to the University Court and has the following terms of reference.

1. Financial Oversight and Controls

To ensure that statutory requirements relating to the University's financial affairs are adhered to.

To ensure compliance with the Scottish Funding Council Financial Memorandum and related guidance provided by the Scottish Funding Council and the new requirement of Outcome Agreements

To ensure compliance with the University's Financial Regulations.

To agree action to be taken in relation to financial irregularities.

[Note – certain aspects of financial regularities fall within the remit of the Audit Committee]

To approve the writing-off of individual debts in excess of £100,000. (The Principal/Executive Board authority is up to a cumulative maximum of up to £750,000 per annum.)

To review and recommend approval of the Annual Report and Accounts to the University Court.

To approve policies in relation to raising money externally, by any means, domestic or foreign and for any purpose.

2. Budget Setting/Monitoring

To approve financial principles/strategy/key assumptions for the annual budget and strategic plan financial estimates.

To contribute to strategic planning and to propose the University-wide annual budget (capital and revenue) and strategic plan financial forecasts for approval by Court.

To ensure that the process of monitoring spend against budget is being carried out satisfactorily by the Executive Board and reported on by exception. Exception reports to be triggered in the event of:

- forecasted positive or negative variations of 1% of the total budget
- adverse variations of 1% in payroll
- adverse variation of 10% on operating cash flow or planned borrowings
- Students' Association – adverse variation of 5% of the budget figure
- Glasgow Caledonian University Company Ltd – adverse variation of 10% of budgeted surplus
- Major capital projects adverse variation of 5% on any single project

To approve any expenditure in excess of £750,000.

3. Estates

To review the University's Estates Strategy and recommend approval to Court (to be updated quinquennially as a minimum).

To delegate financial authority relating to the implementation of specific projects arising from the Estates Strategy.

iii) To approve investment in/or disposal of property.

4. *Major Reorganisations

To consider recommendations from the Principal and, where appropriate, Senate and to submit proposals to Court

*Defined as involving the creation/dissolution of departments or divisions involving more than 30 staff. The Principal is authorised to take executive actions up to 30 posts.

5. Contracts and External Collaborations

To approve any income generating projects worth more than £750,000 or research grants/research contracts in excess of £2,000,000 turnover.

6. Financial Claims

To agree the strategy to be followed in relation to financial claims against the University in excess of £750,000.

7. Appointment of Bankers

To appoint the University's bankers.

8. Early Retirements

To monitor the adequacy of the financial provision that has been made for early retirements.

9. Students' Association

To observe the financial affairs of the Students' Association on the basis of exception reports from the Executive Board.

10. Companies

To approve the formation/dissolution of University companies and to monitor overall performance by exception reports from the Executive Board

11. Insurance

To ensure that the University is adequately covered in respect of its assets and activities.

12. Caledonian Investment Fund*

The Caledonian Investment Fund Board may approve expenditure on individual projects up to £50,000, not exceeding £500,000 in any single financial year. Requests for expenditure approvals on any one investment exceeding £50,000 should be submitted to the Finance and General Purposes Committee.

**The Caledonian Investment Fund is available to staff and students to support a wide range of activities that will stimulate the development of enterprise and entrepreneurship across the University. The total fund available is £0.5m, with investment of up to £50k for staff and typically £5k for students. The investment policy is designed to establish a sustainable fund.*

13. Major Projects

The Committee may create ad hoc, time limited sub-committees for major projects in areas of estates, internationalisation and commercialisation.

14. Monitoring Risk

To map the committee's terms of reference onto the corporate risk register and to monitor those risks which are encompassed in the committee's sphere of responsibility.

15. Committee Membership

To keep the committee membership under review in order to maintain consistently the relevant balance of skills, knowledge and experience and to advise the Membership Committee accordingly.

16. Committee Objectives

Consider how best to benchmark the Committee's terms of reference and objectives against best practice governance in the sector.

17. Communication between Finance and General Purposes Committee and Audit Committee

Communication between the Audit Committee and the Finance and General Purposes Committee is done by an exchange of committee papers and minutes between the Committee Chairs and invitation to the external auditors to attend the meeting at which the annual accounts are discussed.

Composition of Committee

No fewer than five lay members of Court
President of the Students' Association
The Principal
Chief Operating Officer
One Staff Governor

In attendance

University Secretary
DVC Strategy
Director of Finance

Quorum

A quorum comprises no fewer than three members of the Committee, one of whom must be the Chair or Depute Chair.